

CONTRACT

The Parties to this contract are the State of Illinois acting through the undersigned Agency (collectively the State) and the Vendor. This contract, consisting of the signature page and numbered sections listed below and any attachments referenced in this contract constitutes the entire contract between the Parties concerning the subject matter of the contract and supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the contract. This contract can be signed in multiple counterparts and signature may be electronic or digital upon agreement of the Parties.

1. TERM AND TERMINATION
2. DESCRIPTION OF SUPPLIES AND SERVICES
3. PRICING
4. STANDARD BUSINESS TERMS AND CONDITIONS
5. STANDARD CERTIFICATIONS
6. DISCLOSURES AND CONFLICTS OF INTEREST
7. SUPPLEMENTAL PROVISIONS

In consideration of the mutual covenants and agreements contained in this contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this contract to be executed by their duly authorized representatives on the dates shown below.

VENDOR

(Vendor Name) NorthStar Consulting

Signature 

Printed Name DOUGLAS A. BENNETT

Title MANAGING DIRECTOR Date 6-24-2011

Address 900 EAST MAIN STREET #104

SANTA MARIA, CA 93454

Phone 805 925-0663 Fax 805 925-9589

E-mail DBENNETT@NORTHSTARCONSULTANTS.COM

STATE OF ILLINOIS

Illinois Commerce Commission

Official Signature 

Printed Name Tim Anderson

Title Executive Director Date 7/8/11

Counsel Signature  6/30/11

Printed Name Mary Stephenson-Schroeder

Official Signature _____

Printed Name _____

Title _____ Date _____

Address _____

CHIEF PROCUREMENT OFFICER

Designee Signature 

Printed Name Tiffany Power

Title State Purchasing Officer Date 7/11/11

STATE USE ONLY		NOT PART OF CONTRACTUAL PROVISIONS	
PBC# <u>10-000000054837</u>	Project Title <u>IAWC Management Audit</u>		
Contract # <u>IAWC NorthStar</u>	Procurement Method (IFB, RFP, Small, etc): <u>RFP</u>		
IPB Ref. # <u>22020457</u>	IPB Publication Date: <u>5/17/2011</u>	Award Code: <u>B</u>	
Subcontractor Utilization? <u>Yes</u>	Subcontractor Disclosure? <u>Yes</u>		
Funding Source <u>Third Party Funds</u>	Obligation # <u>IAWC NorthStar</u>		
CPO 33 - General Counsel Approval: Signature _____	Printed Name _____	Date _____	

1. **TERM AND TERMINATION**

1.1 **TERM OF THIS CONTRACT:** This contract shall commence upon the last dated signature of the Parties and shall end ~~29.5~~ months after execution.

In no event will the total term of the contract, including the initial term, any renewal terms and any extensions, exceed 10 years.

Vendor shall not commence billable work in furtherance of the contract prior to final execution of the contract.

1.2 **RENEWAL:** Subject to the maximum total term as identified above, the State has the option to renew for the following term(s): *(If the solicitation did not provide for renewal options, the contract may not include any renewal options.)*

No renewals provided.

1.3 **TERMINATION FOR CAUSE:** The State may terminate this contract, in whole or in part, immediately upon notice to the Vendor if: (a) the State determines that the actions or inactions of the Vendor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) the Vendor has notified the State that it is unable or unwilling to perform the contract.

If Vendor fails to perform to the State's satisfaction any material requirement of this contract, is in violation of a material provision of this contract, or the State determines that the Vendor lacks the financial resources to perform the contract, the State shall provide written notice to the Vendor to cure the problem identified within the period of time specified in the State's written notice. If not cured by that date the State may either: (a) immediately terminate the contract without additional written notice or (b) enforce the terms and conditions of the contract.

For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.

1.4 **TERMINATION FOR CONVENIENCE:** The State may, for its convenience and with 30 days prior written notice to Vendor, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Vendor. The Vendor shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this contract up to and including the date of termination.

2. DESCRIPTION OF SUPPLIES AND SERVICES

2.1 GOAL: To utilize the knowledge and expertise of the Vendor, that is lacking in the Procuring Agency's staff, to obtain supplies and services necessary to help meet the statutory responsibilities of the Procuring Agency.

This management audit is necessary as it has been ordered by the Commission with an initiating Order entered on June 3, 2010 in Docket No. 10-0366. The Orders in Docket Nos. 07-0507 and 09-0319 questioned whether IAWC is doing everything possible to ensure low costs for ratepayers. The initiating Order requires a management audit comparing the cost of each service currently obtained from IAWC's Service Company to the cost of such services if the services were obtained through competitive bidding on the open market.

To meet this goal, the Vendor shall:

- Determine the cost of each service currently obtained by IAWC. The primary areas of service are:
 - Communications and External Affairs. Providing comprehensive coordination, standardization and support for information sharing within IAWC and externally with governmental agencies and customers.
 - Corporate Finance. Providing coordination with IAWC employees, and support for rate activities, budget preparation and analysis, and other regulatory and financial analysis as requested by the management of IAWC.
 - Customer Service. Providing call center operations, education and training of new employees, quality control, centralized billing, collection activities, and other support functions.
 - Divisional Operations Support and Regulated Operations. Providing support for IAWC customer relations, such as bill and service order reviews, and engineering related services.
 - Human Resources. Providing support for management of employees throughout their tenure with IAWC, and handling areas of compensation and benefits, employee and labor relations, HR systems and processes, business center and corporate staffing, and organizational and talent development.
 - Information Technology Services. Providing support under six divisions: Enterprise Architecture, Security Architecture, Infrastructure and Operations, Business Application Development, Client Services and Support, and the Project Management Office.
 - Legal. Providing legal support for many IAWC functions, including corporate governance functions and decisions regarding hiring and management of specialized outside counsel.
 - Operations Services. Providing technical, operations and business professional services in the areas of engineering, maintenance & supervisory control and data acquisition services, innovation and environmental stewardship, central laboratory services, supply chain, best operating practices, and operational risk management.
 - Shared Services. Providing services in the areas of business development, regulatory programs, internal audits, and investor relations.
- Review the Service Company Cost portions of the direct testimonies of Karla O. Teasley, Mark R. Young, John S. Young, Bernard L. Uffelman and Edward J. Grubb which are filed in the ICC's electronic docket system (eDocket). You may view these documents filed in the eDocket web site at <http://www.icc.illinois.gov/e-docket>. The docket number is 09-0319.
- Determine which services can be obtained through competitive bidding on the open market.
- Determine the cost of such services had the services been obtained through competitive bidding on the open market.
- Compare the cost of each service currently obtained by IAWC to the cost of such services had the services been obtained through competitive bidding on the open market.
- Prepare a report describing the audit process and the results of the audit.

2.2 SUPPLIES AND/OR SERVICES REQUIRED:

1. The audit Project Manager shall be Daniel Kahle in the Agency's Springfield, Illinois office, or other person so designated by the Agency. Use of the term "Staff" within this Contract refers to the Project Manager and other Agency personnel who shall have a direct interest in this project. Where any dispute should arise concerning this project, the Project Manager shall make a final determination over any such disputed matters.
2. The Vendor has provided a preliminary work plan with their proposal covering all aspects of the project. The work plan will be a "living" document, adjusted as the project progresses. The work plan must provide for active participation and coordination with Staff. The work plan shall include the necessary steps to meet the goals and objectives specified in Section 2.1. The work plan must describe the general approach to this audit, explain how the necessary information to determine the cost of services "if the services were obtained through competitive bidding on the open market" will be obtained and explain how to evaluate the cost of each service. The work plan shall include an estimate of the hours required for each functional area and work step for each Vendor position (e.g. manager, consultant, analyst, etc.)
3. Upon completion of this engagement, Vendor shall maintain the work papers it has prepared in the course of performing its obligations under the Contract for a period of no less than three years from the date of final payment under the Contract, or until all litigation, if any, related to this project is completed, whichever event occurs later. Vendor shall make such work papers available to the Commission and its Staff as requested or directed by the Commission, its Executive Director, or his designee. This obligation shall survive termination of the Contract.
4. If required, as a result of information discerned within the duties described in Section 2.1, and for a period of two years from the date that the final audit report is submitted to the Commission, Vendor shall provide a witness or witnesses who can explain and support the findings and recommendations in written testimony and under cross-examination in a formal Agency proceeding, and who can provide expert assistance to the Agency, its Staff, and/or Agency counsel, in all matters relating to such a proceeding, including discovery and the preparation of pleadings, briefs, and other legal documents.

- a. If such testimony is required, Agency and Vendor agree to enter into good faith negotiations for a separate agreement for the services described in this subparagraph.
 - b. The hourly fees charged by Vendor under such agreement shall be at the then current hourly rates, provided that such rates shall be no greater than the fees charged for the same individual under this Contract plus a reasonable adjustment for inflation.
 - c. Vendor will sign, on the advice of Agency counsel, and honor protective orders in the formal Agency proceeding.
5. Changes to the Vendor's staff (or others who would perform work under this Contract) must be pre-approved by the Project Manager. Vendor must provide the Project Manager with the necessary revisions to Vendor's Staffing Specifications supplied pursuant to Section 2.5. Any Vendor staff changes must have equal or better qualifications than the staff member they are replacing.
 6. Vendor's project team shall include at least one consultant with the training, ability and experience to edit all written reports required under this Contract and ensure that each written report is properly referenced back to information sources, well organized, unambiguous, clear, concise, grammatically correct, free of all unnecessary technical jargon and acronyms, written for non-technical readers, and easy for lay persons to read and understand.
 7. At the beginning of the engagement (i.e. within twenty days of contract execution), Vendor shall develop and submit a detailed work plan to the Project Manager for approval. Throughout the engagement Vendor shall revise the work plan and submit to the Project Manager for approval as required by the Project Manager. The work plan must provide for active participation and coordination with the Staff. The work plan shall include steps to meet the goals and objectives of the Agency specified in Section 2.1 and Section 2.3. Vendor shall include in its work plan response an estimate of the hours required for each work step for each Vendor position (e.g. manager, consultant, analyst, etc.) The focus of the work plan is to function as a project management tool to assure Staff that Vendor has an adequate understanding of the requirements of the contract and can allocate resources reasonably to meet the requirements of the contract as well as provide Staff with appropriate regular performance benchmarks.
 8. At the beginning of the engagement (i.e. within twenty days of contract execution), develop and submit an evaluation plan for each service to the Project Manager for approval. Throughout the engagement Vendor shall revise the evaluation plans as necessary and submit to the Project Manager for approval as required by the Project Manager.
 9. Attend weekly telephone meetings with the Project Manager.
 10. Provide the Project Manager with copies of data requests and interview requests made by the Vendor, and results thereof.
 11. Provide the Project Manager with interim task updates throughout the course of the contract as described in Section 2.3.
 12. Provide the Project Manager with reports as shown in Section 2.3.
 13. Conduct interviews, data reviews, and analyses, etc. to fully address the requirements of this RFP and report to the Project Manager.
 14. The scope of work is all inclusive, therefore, any additions required to complete the work are included in this Agreement. There will be no additional charges for work which could have been discovered by contractor prior to signing the contract and/or which should have been reasonably known to exist by a qualified contractor in this trade.

2.3 MILESTONES AND DELIVERABLES: Vendor shall not perform services, provide supplies or incur expenses in amount exceeding the amount shown in this Section, unless the State has authorized a higher amount in writing prior to the Vendor performing the services, providing the supplies, or incurring the expenses.

TASK	COMPLETION (Calendar Days)
Develop a detailed work plan	Within 20 days of contract execution
Develop an evaluation plan for each service	Within 20 days of contract execution
Modify evaluation plans as necessary	As needed, with concurrence of Project Manager
Participate in telephone meetings with the Project Manager	Weekly following contract execution
Submit copies of data requests and interview requests along with corresponding answers	As they occur
Submit Interim Task Updates including: <ul style="list-style-type: none"> Summary of tasks completed-to-date Projection of tasks to be completed in the coming month Update on "competitive bidding on the open market" results Hours worked on audit Estimate of hours remaining to be worked on audit Estimated percent of completion of work on each service area 	Every 30 days following contract execution
Delivery preliminary draft report to staff	Within 135 days of contract execution
Deliver draft report to the Company	Within 145 days of contract execution
Prepare a "final" draft report to staff	Within 155 days of contract execution
Prepare a final report for the Commission	Within 165 days of contract execution
If requested, provide expert witness testimony, withstand cross-examination, assist Agency in hearing-related matters if necessary.	Within 2 years of final report date (separate agreement)

2.4 VENDOR / STAFF SPECIFICATIONS:

2.4.1 Qualifications of Vendor and/or Vendor's staff (or others who would perform): Vendor must have and demonstrate the education, experience and technical ability necessary to perform this contract. Vendor proposal must show name and relevant professional biographical data of Vendor's staff

who would be assigned to this project. Vendor proposal must include a listing of each individual's area of expertise and relevance for the requirements of this project as well as their projected effort on this project as a percent of total projected person-hours for this project.

- a. Affirm that the audit will be conducted in accordance with the General Accounting Office's Government Auditing Standards ("GAGAS").
- b. Identify a Vendor project manager who is a CPA, CIA, or CMA.
- c. Describe how the Vendor's staff (or others who would perform) meets the competency requirements of paragraphs 3.41 through 3.43 of GAGAS.
- d. For the preceding two years, provide a list, for each Vendor's staff (or others who would perform), or continuing professional education which complies with paragraph 3.46 of GAGAS.
- e. Identify any subcontractor who will aid in the performance of the audit.
- f. Previous experience related to the General Accounting Office's Government Auditing Standards ("GAGAS"); Utilities and Service Companies.
- g. Work experience similar to the requirements of this RFP.

2.5 ASSIGNMENT AND SUBCONTRACTING:

2.5.1 This contract may not be assigned, transferred in whole or in part by the Vendor without the prior written consent of the State.

2.5.2 For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract.

Will subcontractors be utilized? ☒ Yes ☐ No

2.5.3 Vendor shall describe below the names and addresses of all authorized subcontractors to be utilized by Vendor in the performance of this contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this contract. Vendor shall provide a copy of any subcontracts within 20 days of execution of this contract.

Subcontractor Name	<u>Helion consulting</u>	Amount to be paid	<u>\$99,650</u>
Address	<u>6221 S. Claiborne Avenue #550 New Orleans, LA 70125</u>	Description of work	<u>Management consulting</u>

Subcontractor Name	_____	Amount to be paid	_____
Address	_____	Description of work	_____

2.5.4 The Vendor shall notify the State of any additional or substitute subcontractors hired during the term of this contract. Vendor shall provide to the State a copy of all such subcontracts within 20 days of execution of the subcontract.

2.5.5 All subcontracts must include the same certifications that Vendor must make as a condition of this contract. Vendor shall include in each subcontract the subcontractor certifications as shown on the Standard Subcontractor Certification form available from the State.

2.6 TRANSPORTATION AND DELIVERY:

2.7 WHERE SERVICES ARE TO BE PERFORMED: Unless otherwise specified in this section all services shall be performed in the United States. If the Vendor manufactures the supplies or performs the services purchased hereunder in another country in violation of this provision, such action may be deemed by the State as a breach of the contract by Vendor. Vendor shall disclose the locations where the services required shall be performed and the known or anticipated value of the services to be performed at each location. If the Vendor received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

Location where services will be performed	<u>Illinois</u>
Value of services performed at this location	<u>\$ 314,000</u>

Location where services will be performed	<u>New Jersey</u>
Value of services performed at this location	<u>\$ 78,100</u>

2.8 SCHEDULE OF WORK: Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.

2.9 WARRANTIES FOR SUPPLIES AND SERVICES:

2.9.1 Vendor warrants that the supplies furnished under this contract will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Vendor and agreed to by the State; including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs,

damages or expenses, including without limitation, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.

2.9.2 Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.

2.9.3 Vendor warrants that all services will be performed to meet the requirements of the contract in an efficient and effective manner by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.

2.10 REPORTING, STATUS AND MONITORING SPECIFICATIONS:

2.10.1 Vendor shall immediately notify the State of any event that may have a material impact on Vendor's ability to perform the contract.

2.10.2 By August 31 of each year, Vendor shall report the number of qualified veterans and certain ex-offenders hired during Vendor's last completed fiscal year. Vendor may be entitled to employment tax credit for hiring individuals in those groups (35 ILCS 5/216, 5/217).

3. PRICING

3.1 METHOD AND RATE OF COMPENSATION: The State will compensate Vendor for the initial term as follows:

- ☒ Hourly _____
☐ Monthly _____
☐ Annually _____
☐ Project _____
☐ Item (show unit of measure and rate): _____

	Consultant									Total Hours	Total Cost
	Wheaton	Bennett	Anderson	Francis	Rovello	Jagger	Decker	Efter	Dumas		
Hourly Rate	\$325	\$325	\$300	\$250	\$225	\$135	\$190	\$300	\$190		
Phase I: Planing & Orientation	20	20	20					20		80	\$25,000
Phase II: Technical Review											
1. Determine IAWC Charges	10			90						100	\$25,750
2. Review Testimony	10	15	20		5		5	5	5	65	\$18,650
3. ID Possible Competitive Services	20	30	30	10	10		10	20	10	140	\$39,800
4. Determine Competitive Prices/Value											
a. Communications/External Affairs			20	20						40	\$11,000
b. Corporate Finance & Accounting								30	70	100	\$22,300
c. Customer Service			40	26						66	\$18,500
d. Human Resources					70					70	\$15,750
e. Information Technology Services							70			70	\$13,300
f. Legal								20		20	\$6,000
g. Divisional Operations Support		40							40	80	\$20,600
h. Operations Services		40							40	80	\$20,600
i. Other Shared Services								80		80	\$24,000
5. Compare AWWSC & Competitive Prices	30	20	40	40						130	\$38,250
Phase III: Write Report	20		60	20	30	150	20	40	20	360	\$76,100
Project Management	30					50				80	\$16,500
Total Hours	140	165	230	206	115	200	105	215	185	1561	
Total Cost	\$45,500	\$53,625	\$69,000	\$51,500	\$25,875	\$27,000	\$19,950	\$64,500	\$35,150		\$392,100

3.2 TYPE OF PRICING: Pricing under this contract is

- ☒ Not-to-Exceed \$392,100
☐ Estimated

3.3 RENEWAL COMPENSATION: If this contract is renewed, the price shall be at the same rate as for the initial term unless a different compensation or formula for determining the renewal compensation is stated in this section.

3.4 **EXPENSES:** Any expenses that Vendor may charge are shown in this section. The State will not compensate Vendor for expenses related to travel, lodging or meal.

3.5 **DISCOUNT:** N/A % discount for payment within _____ days of receipt of invoice

3.6 **TAX:** Vendor shall not bill for any taxes unless accompanied by proof the State is subject to the tax. If necessary, Vendor may request the applicable agency's Illinois tax exemption number and federal tax exemption information.

3.7 **INVOICING:** Vendor shall invoice at the completion of the contract unless invoicing is tied in this contract to milestones, deliverables, or other invoicing requirements agreed to in this contract.

Send invoices to ICC Project Manager

3.8 PAYMENT TERMS AND CONDITIONS:

3.8.1 By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims (30 ILCS 105/25). All invoices are subject to statutory offset (30 ILCS 210).

3.8.2 Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act (30 ILCS 540) and rules (74 Ill. Adm. Code 900) when applicable. This shall be Vendor's sole remedy for late payments by the State. Payment terms contained on Vendor's invoices shall have no force and effect.

3.8.3 The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the Parties even if the effective date of the contract is prior to execution.

3.8.4 As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law (Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. Vendor is responsible for contacting the Illinois Dept. of Labor 217-782-6206; <http://www.state.il.us/agency/idol/index.htm> to ensure understanding of prevailing wage requirements), (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request.

3.8.5 Illinois American Water Company has agreed to pay for Vendor services involved in this RFP. However, in all matters related to this project, the Agency shall be the sole client of Vendor. Vendor shall submit invoices to Agency Project Manager for review and approval. An invoice for payment may be submitted at any time following the month's end, for any month in which work was performed. The compensation of professional fees for this project shall be tied to the accomplishment of specific milestones and steps in the current approved project plan as outlined in paragraph 2.2 and 2.3 above. Professional fees are subject to 20% retention as described in paragraph 3.8.6, below. Each invoice shall be of sufficient detail to relate the costs therein to the work performed, by individual, to the approved preliminary or detailed work plans or a specific milestone submitted by Vendor and approved by Staff. After Agency Project Manager review and approval of Vendor invoice, the Agency Project Manager will invoice Illinois American Water Company, and Illinois American Water Company will make prompt payment directly to Vendor.

3.8.6 Twenty percent (20%) of all Agency approved professional fees will be retained until satisfactory completion of the project. The 20% retention will be released when all contractual obligations within the control of the Vendor have been fulfilled. At the discretion of Agency Project Manager, a proportionate amount of the fees retained to date may be released for payment to Vendor upon successful completion of specific milestones. The 20% retention will be permanently withheld from Vendor if:

- 3.8.6.1 For reason(s) Staff believes to be within Vendor's control, the reports listed in paragraph 2.2, 2.3, and 2.4 are not provided to Staff by the dates specified in the work plan or agreed on with Staff, or
- 3.8.6.2 For reason(s) Staff believes to be within Vendor's control, the duties specified in Section 2.2 or 2.3 are not performed or the milestones provided by the current approved work plan are not met, or
- 3.8.6.3 For reason(s) specified in Section 1.3 of the Contract.

4. STANDARD BUSINESS TERMS AND CONDITIONS

4.1 AVAILABILITY OF APPROPRIATION (30 ILCS 500/20-60): This contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason, (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly; or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.

4.2 AUDIT/RETENTION OF RECORDS (30 ILCS 500/20-65): Vendor and its subcontractors shall maintain books and records relating to the performance of the contract or subcontract and necessary to support amounts charged to the State under the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Vendor for a period of three years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay contract costs, the Vendor and its subcontractors must retain its records for five years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. The Vendor or subcontractors shall not impose a charge for audit or examination of the Vendor's books and records.

4.3 TIME IS OF THE ESSENCE: Time is of the essence with respect to Vendor's performance of this contract. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by the State.

4.4 NO WAIVER OF RIGHTS: Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.

4.5 FORCE MAJEURE: Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within 30 days of the declaration.

4.6 CONFIDENTIAL INFORMATION: Each Party, including its agents and subcontractors, to this contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this contract. Vendor shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

4.7 USE AND OWNERSHIP: All work performed or supplies created by Vendor under this contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Vendor acknowledges the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this contract.

4.8 INDEMNIFICATION AND LIABILITY: The Vendor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by Vendor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person; damage to any property or any other damage or loss claimed to result in whole or in part from Vendor's negligent performance; or (c) any act, activity or omission of Vendor or any of its employees, representatives, subcontractors or agents. Neither Party shall be liable for incidental, special, consequential or punitive damages.

4.9 INSURANCE: Vendor shall, at all times during the term and any renewals, maintain and provide a Certificate of Insurance naming the State as additional insured for all required bonds and insurance. Certificates may not be modified or canceled until at least 30 days notice has been provided to the State. Vendor shall provide: (a) General Commercial Liability-occurrence form in amount of \$1,000,000 per occurrence (Combined

Single Limit Bodily Injury and Property Damage (a) and \$2,000,000 Annual Aggregate; (b) Auto Liability including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Vendor's obligation to indemnify, defend, or settle any claims.

4.10 INDEPENDENT CONTRACTOR: Vendor shall act as an independent contractor and not an agent or employee of, or joint venturer with the State. All payments by the State shall be made on that basis.

4.11 SOLICITATION AND EMPLOYMENT: Vendor shall not employ any person employed by the State during the term of this contract to perform any work under this contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this contract.

4.12 COMPLIANCE WITH THE LAW: The Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of this contract.

4.13 BACKGROUND CHECK: Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's and subcontractors officers, employees or agents. Vendor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background checks.

4.14 APPLICABLE LAW: This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this contract must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any contract dispute. The State of Illinois does not waive sovereign immunity by entering into this contract. The official text of cited statutes is incorporated by reference (An unofficial version can be viewed at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>). In compliance with the Illinois and federal Constitutions, the Illinois Human Rights Act, the U. S. Civil Rights Act, and Section 504 of the federal Rehabilitation Act and other applicable laws and rules the State does not unlawfully discriminate in employment, contracts, or any other activity.

4.15 ANTI-TRUST ASSIGNMENT: If Vendor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the contract, then upon request of the Illinois Attorney General, Vendor shall assign to the State rights, title and interest in and to the claim or cause of action.

4.16 CONTRACTUAL AUTHORITY: The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the contract. When the Chief Procurement Officer or authorized designee signs in addition to an Agency, they do so as approving officer and shall have no liability to Vendor. When the Chief Procurement officer or authorized designee signs a master contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor for that order.

4.17 NOTICES: Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

4.18 MODIFICATIONS AND SURVIVAL: Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.

4.19 PERFORMANCE RECORD / SUSPENSION: Upon request of the State, Vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. The State may consider Vendor's performance under this contract and compliance with law and rule to determine whether to continue the contract, suspend Vendor from doing future business with the State for a specified period of time, or to determine whether Vendor can be considered responsible on specific future contract opportunities.

4.20 FREEDOM OF INFORMATION ACT: This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act notwithstanding any provision to the contrary that may be found in this contract.

5. STANDARD CERTIFICATIONS

Vendor acknowledges and agrees that compliance with this section and each subsection for the term of the contract and any renewals is a material requirement and condition of this contract. By executing this contract Vendor certifies compliance with this section and each subsection and is under a continuing obligation to remain in compliance and report any non-compliance.

This section, and each subsection, applies to subcontractors used on this contract. Vendor shall include these Standard Certifications in any subcontract used in the performance of the contract using the Standard Subcontractor Certification form provided by the State.

If this contract extends over multiple fiscal years including the initial term and all renewals, Vendor and its subcontractors shall confirm compliance with this section in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that this contract remains in effect.

If the Parties determine that any certification in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

5.1 As part of each certification, Vendor acknowledges and agrees that should Vendor or its subcontractors provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:

- the contract may be void by operation of law,
- the State may void the contract, and
- the Vendor and its subcontractors may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

5.2 Vendor certifies it and its employees will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this contract.

5.3 Vendor certifies it is not in default on an educational loan (5 ILCS 385/3). This applies to individuals, sole proprietorships, partnerships and individuals as members of LLCs.

5.4 Vendor (if an individual, sole proprietor, partner or an individual as member of a LLC) certifies it has not received an (i) an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, or (ii) an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133, (30 ILCS 105/15a).

5.5 Vendor certifies it is a properly formed and existing legal entity (30 ILCS 500/1.15.80, 20-43); and as applicable has obtained an assumed name certificate from the appropriate authority, or has registered to conduct business in Illinois and is in good standing with the Illinois Secretary of State.

5.6 To the extent there was a incumbent Vendor providing the services covered by this contract and the employees of that Vendor that provide those services are covered by a collective bargaining agreement, Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer; and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this contract (30 ILCS 500/25-80). This does not apply to heating, air conditioning, plumbing and electrical service contracts.

5.7 Vendor certifies it has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has Vendor made an admission of guilt of such conduct that is a matter of record (30 ILCS 500/50-5).

5.8 If Vendor has been convicted of a felony, Vendor certifies at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).

5.9 If Vendor, or any officer, director, partner, or other managerial agent of Vendor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, Vendor certifies at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the contract void if this certification is false (30 ILCS 500/50-10.5).

5.10 Vendor certifies it is not barred from having a contract with the State based on violating the prohibition on providing assistance to the state in identifying a need for a contract (except as part of a public request for information process) or by reviewing, drafting or preparing solicitation or similar documents for the State (30 ILCS 500/50-10.5e).

5.11 Vendor certifies that it and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Vendor and its affiliates acknowledge the State may declare the contract void if this certification is false (30 ILCS 500/50-11) or if Vendor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).

5.12 Vendor certifies that it and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledges that failure to comply can result in the contract being declared void.

5.13 Vendor certifies that it has not been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last five years, and is therefore not barred from being awarded a contract (30 ILCS 500/50-14).

5.14 Vendor certifies it has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has Vendor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

5.15 Vendor certifies it is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).

5.16 Vendor certifies that it has not retained a person or entity to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement (30 ILCS 500/50-38).

5.17 Vendor certifies it will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45; 50-50).

5.18 In accordance with the Steel Products Procurement Act, Vendor certifies steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring agency grants an exception (30 ILCS 565).

5.19 a) If Vendor employs 25 or more employees and this contract is worth more than \$5000, Vendor certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act.

b) If Vendor is an individual and this contract is worth more than \$5000, Vendor shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance during the performance of the contract (30 ILCS 580).

5.20 Vendor certifies that neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This applies to contracts that exceed \$10,000 (30 ILCS 582).

5.21 Vendor certifies it has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States (720 ILCS 5/33 E-3, E-4).

5.22 Vendor certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).

5.23 Vendor certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).

5.24 Vendor certifies it complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, or indentured labor under penal sanction (30 ILCS 583).

5.25 Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor or any child under the age of 12 (30 ILCS 584).

5.26 Vendor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5) that states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45) are prohibited from doing business with the State until the violation is mitigated".

5.27 Vendor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

5.28 Vendor certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract will comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at www.dhs.state.il.us/itaa. (30 ILCS 587)

5.29 Vendor certifies that it has read, understands, and is in compliance with the registration requirements of the Elections Code (10 ILCS 5/9-35) and the restrictions on making political contributions and related requirements of the Illinois Procurement Code (30 ILCS 500/20-160 and 50-37). Vendor will not make a political contribution that will violate these requirements. These requirements are effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the contract term, whichever is longer.

— In accordance with section 20-160 of the Illinois Procurement Code, Vendor certifies as applicable: -----

☐ Vendor is not required to register as a business entity with the State Board of Elections.

or

☒ Vendor has registered and has attached a copy of the official certificate of registration as issued by the State Board of Elections. As a registered business entity, Vendor acknowledges a continuing duty to update the registration as required by the Act.

DISCLOSURES AND CONFLICTS OF INTEREST

Instructions: Vendor shall disclose financial interests, potential conflicts of interest and contract information identified in Sections 1, 2 and 3 below as a condition of receiving an award or contract (30 ILCS 500/50-13 and 50-35). Failure to fully disclose shall render the contract, bid, proposal, subcontract, or relationship voidable by the chief procurement officer if s/he deems it in the best interest of the State of Illinois and may be cause for barring from future contracts, bids, proposals, subcontracts, or relationships with the State.

- There are five sections to this form and each must be completed to meet full disclosure requirements.
- Note: The requested disclosures are a continuing obligation and must be promptly supplemented for accuracy throughout the process and throughout the term of the resultant contract if the bid/offer is awarded. As required by 30 ILCS 500/50-2; for multi-year contracts Vendors must submit these disclosures on an annual basis.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in Section 1 below. HOWEVER, if a Vendor submits a 10K, they must still must complete Sections 2, 3, 4 and 5 and submit the disclosure form.

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor: NSC Group, Inc.

D/B/A (if used): NorthStar Consulting Group, Inc.

Name of any Parent Organization: _____

Section 1: Section 50-35 Disclosure of Financial Interest in the Vendor. (All Vendors must complete this section)

Vendors must complete subsection (a), (b) or (c) below. Please read the following subsections and complete the information requested.

a. If Vendor is a Publicly traded corporation subject to SEC reporting requirements

- Vendor shall submit their 10K disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 (a) and (b) of the Procurement Code. The SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10K.

Check here if submitting a 10k ☐, 20f ☐, or 40f ☐.

OR

b. If Vendor is a privately held corporation with more than 400 shareholders

- These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Illinois Procurement Code.

OR

c. If Vendor is an individual, sole proprietorship, partnership or any other not qualified to use subsections (A) or (B), complete (i) and (ii) below as appropriate.

- For **each individual** having any of the following financial interests in the Vendor (or its parent), please mark each that apply and show the applicable name and address. Use a separate form for each individual.

1. Do you have an ownership share of greater than 5% of the offering entity or parent entity?

☒ Yes ☐ No

Douglas A. Bennett – 100% ownership of NorthStar Consulting Group

2. Do you have an ownership share of less than 5%, but which has a value greater than \$106,447.20?

☐ Yes ☒ No

3. Do you receive more than \$100,000.00 of the offering entity's or parent entity's distributive income? (Note: Distributive income is, for these purposes, any type of distribution of profits. An annual salary is not distributive income.)
☐ Yes ☒ No

4. Do you receive greater than 5% of the offering entity's or parent entity's total distributive income, but which is less than \$106,447.20?
☐ Yes ☒ No No distribution – only salary

5. If you responded yes to any of questions 1 – 4 above, please provide either the percentage or dollar amount of your ownership or distributive share of income: **100% ownership, all W-2 salary, no distribution.** For partnerships with more than 50 partners, the percentage share of ownership of each individual identified above may be shown in the following ranges (dollar value fields must also be completed when applicable):

0.5% or less _____ >0.5 to 1.0% _____ >1.0 to 2.0% _____ >2.0 to 3.0 % _____ > 3.0 to 4.0% _____ %
>4.0 to 5.0% _____ and in additional 1% increments as appropriate 100 %

6. If you responded yes to any of the questions 1-4 above, please check the appropriate type of ownership/distributable income share:

Sole Proprietorship ☐ Stock ☐ Partnership ☐ Other (explain) CA S-Corporation

Name: Douglas A. Bennett

Address: 965 Quail Ridge Drive Santa Maria, CA 93455

ii. In relation to individuals identified above, indicate whether any of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at the end of this Section (attach additional pages as necessary). If no individual has been identified above, mark not applicable (N/A) here _____.

(a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Yes ☐ No ☒

(b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes ☐ No ☒

(c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes ☐ No ☒

(d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☒

(e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes ☐ No ☒

(f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☒

(g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes ☐ No ☒

(h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☒

(i) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☒

(j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☒

Section 2: Section 50-13 Conflicts of Interest (All Vendors must complete this section)

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois [\$106,447.20], or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor (\$177,412.00), to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor [\$354,824.00], to have or acquire any such contract or direct pecuniary interest therein.

Check One:

☒

No Conflicts Of Interest

☐

Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

Section 3: Debarment/Legal Proceeding Disclosure (All Vendors must complete this section).

Each of the persons identified in Sections 1, 2 and 3 must each identify any of the following that occurred within the previous 10 years:

Debarment from contracting with any governmental entity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Professional licensure discipline	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Bankruptcies	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Adverse civil judgments and administrative findings	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Criminal felony convictions	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If any of the above is checked yes, please identify with descriptive information the nature of the debarment and legal proceeding. The State reserves the right to request more information, should the information need further clarification.

Section 4: Disclosure of Business Operations with Iran (All Vendors must complete this section).

In accordance with 30 ILCS 500/50-36, each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

- i. more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action;
or
- ii. the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

☒ There are no business operations that must be disclosed to comply with the above cited law.

☐ The following business operations are disclosed to comply with the above cited law:

Section 5: Current and Pending Contracts (All Vendors must complete this section).

Does the Vendor have any contracts pending contracts, bids, proposals or other ongoing procurement relationships with units of State of Illinois government? Yes ☒ No ☐

If yes, please identify each contract, pending contract, bid, proposal and other ongoing procurement relationship it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number.

Proposal: NorthStar submitted a bid for Just Energy Compliance/Management Audit ICC11AGS0001
Submission Date: November 18, 2010

Section 6: Representative Lobbyist/Other Agent (All Vendors must complete this section).

Is the Vendor represented by or employing a lobbyist required to register under the Lobbyist Registration Act or other agent who is not identified under Sections 1 and 2 and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid, offer or contract? Yes ☐ No ☒

If yes, please identify each agent / lobbyist, including name and address.

Costs/Fees/Compensation/Reimbursements related to assistance to obtain contract (describe):

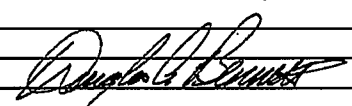
Vendor certifies that none of these costs will be billed to the State in the event of contract award. Vendor must file this information with the Secretary of State.

This Disclosure is signed and made under penalty of perjury pursuant to Sections 500/50-13 and 500/50-35(a) of the Illinois Procurement Code.

This Disclosure information is submitted on behalf of: NorthStar Consulting Group, Inc.
(Vendor/Subcontractor Name)

Name of Authorized Representative: Douglas A. Bennett

Title of Authorized Representative: Managing Director

Signature of Authorized Representative: 

Date: December 20, 2010

I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

- If you are an individual, enter your name and SSN as it appears on your Social Security Card.
- If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.
- If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the d/b/a on the business name line and enter the owner's SSN or EIN.
- If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).
- For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.

Name: Douglas A. BennettBusiness Name: NorthStar Consulting Group, Inc.

Taxpayer Identification Number:

Social Security Number _____

or

Employer Identification Number 77-0526394

Legal Status (check one):

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Governmental |
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Nonresident alien |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Estate or trust |
| <input type="checkbox"/> Legal Services Corporation | <input type="checkbox"/> Pharmacy (Non-Corp.) |
| <input type="checkbox"/> Tax-exempt | <input type="checkbox"/> Pharmacy/Funeral Home/Cemetery (Corp.) |
| <input type="checkbox"/> Corporation providing or billing medical and/or health care services | <input type="checkbox"/> Limited Liability Company (select applicable tax classification) |
| <input checked="" type="checkbox"/> Corporation NOT providing or billing medical and/or health care services | <input type="checkbox"/> D = disregarded entity |
| | <input type="checkbox"/> C = corporation |
| | <input type="checkbox"/> P = partnership |

Signature: Date: December 20, 2010

Certificate of Registration



Registration No. 20881

NSC Group, Inc.

900 East Main Street

Suite 104

Santa Maria CA 93454

Information for this business last updated on:

Monday, November 01, 2010

Certificate produced on Monday, November 01, 2010 at 2:29 PM



7. **SUPPLEMENTAL PROVISIONS**

7.1 **State Supplemental Provisions**

- ☐ Definitions
- ☐ Required Federal Clauses, Certifications and Assurances
- ☐ ARRA Requirements (American Recovery and Reinvestment Act of 2009)
- ☐ Public Works Requirements (construction and maintenance of a public work) (820 ILCS 130/4)
- ☐ Prevailing Wage (janitorial cleaning, window cleaning, building and grounds, site technician, natural resources, food services, and security services, if valued at more than \$200 per month or \$2000 per year. (30 ILCS 500/25-60)
- ☐ Prevailing Wage (all printing contracts) (30 ILCS 500/25-60)
- ☒ BEP-Subcontracting Requirements (Utilization Plan and Letter of Intent)
- ☐ Other (describe)

7.2 **Vendor Supplemental Provisions**

- ☐ _____